



Continental Industries Field Services, LLC
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November 6, 2022

Casey Hall
Merit Energy Company

Casey,

Following is Continental's quote to plug and abandon the Tribal C-10 in the Steamboat Butte Field. This quote is based on the attached operational procedure and includes work over rig, cementing services, vacuum trucks, welder, perforating, BOPE, retainer, and backhoe.

Unforeseen circumstance such as stuck rods/tubing or casing leaks not previously identified shall be conducted on a time and material basis until remedied. H2S equipment if required will be billed in addition.

We will need a valid pull test on rig anchors and a source of cement quality water nearby. Return fluids generated from the plugging process will be directed to a Continental supplied tank and released to Merit for disposal. Not included in our quote is sales tax, TERO fees or reclamation. Thank you for your consideration, we look forward to hearing from you.

Regards,

Larry Bilby
Continental Industries Field Services
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CEMENT SLURRY PROPERTIES

	Plugging Slurry
Slurry Yield (cu-ft/sk)	1.15
Slurry Weight (ppg)	15.8
Mixing Water Required (gal/sk)	4.99
Thickening Time (hrs:min)	2:30
Compressive Strength (psi-24hrs)	4000

EQUIPMENT SUPPLIED BY CONTINENTAL

Item	Units	Description
Workover Rigs	1	D/T 250,000# mast
Cement Pump Trucks	1	400 hp recirc mixers
Cement	200	Class G neat
Bulk Trucks	1	Beal/Fruehauf
Backhoes	1	310 Series
Welders	1	Miller
Vac Trucks	2	80 & 120 bbl tankers
Flat tank	1	230 bbl
BOP	1	7 1/16 5K
Wireline	1	3 rd party
CICR	2	Baker

OPERATIONAL PROCEDURE

1. MIRUSU, lay down rods if present, install BOP, TOOH with production tubing if present.
2. Make bit & scraper run for 5 ½" to 6644'. Set CICR @ 6560'.
3. Sting out of CICR, circulate hole clean and test casing to 500 psi. With good test, sting in & establish injection rate.
4. With satisfactory rate, pump 20 sx cement below, sting out & spot 15 sx cement on top.
5. Pull out of cement & pump 9 ppg mud to 4000'. Pull tubing to 3960' & spot 15 sx balanced cement plug.
6. Pull out of cement & pump 9 ppg mud to 1200'
7. Perforate production casing @ 1199' (50' below surface shoe)
8. Set CICR @ 1149', open surface annulus & pump 80 sx cement below, sting out & spot 15 sx cement on top.

9. Cut casing strings 3' BGL & run 1" poly pipe in surface annulus to 100'. Circulate 35 sx cement to surface.
10. Run 1" poly pipe in production casing to 100'. Circulate 15 sx cement to surface.
11. Weld on regulation dry hole plate & backfill cellar.

COST ESTIMATE

Tribal C-10	\$59,500
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TIME & MATERIALS PRICE SCHEDULE

Workover Rig	\$350/hr
Travel Rig Crew	\$130/hr
Travel Cement Crew	\$110/hr
Cement	\$47/sk
Cement Pumping	\$2500/day
Vac Truck	\$90/hr
120bbl Transport	\$100/hr
Backhoe	\$75/hr
Welder & Truck	\$75/hr
Winch Tractor	\$120/hr
Tubing Trailer	\$50/day
Subsistence	\$800/day/crew
BOP	\$650/day
3 rd Party Charges	net + 15%

Terms and Conditions

Scope of Work: This quote is based solely on the operating procedure that was supplied by the operator or in some instances written by Continental. On many occasions, this quote is prepared before the regulatory agency has provided COA's. If the COA's were not provided to Continental at time of quoting, then any conditions by the agency will be in addition to our quote. These conditions may include: heavier than expected mud weight, additional cement, or additional retainers. Continental will supply or subcontract all equipment necessary for a complete p&a unless specified in the quote. This quote should not be considered a "turnkey" quote. Our goal is to keep abandonment costs low and anything outside the operational procedure is not considered. This may include but is not limited to: Stuck rods, tubing, pumps, casing leaks, or excessive well bore pressure that requires considerable time to kill or blow down. If any of these conditions are present, Continental will proceed on a time and material basis until remedied. Once remedied and the operational procedure can be followed, all time and material operations stop.

Operator Responsibility: Unless otherwise specified, Continental requires the operator to supply a source of cement quality water in or near the field to be hauled via Continental trucks. A reasonable distance would be less than 10 miles one way. Should water not be available within this distance, the operator will be required to truck water to a mutually agreed upon point and transferred to a holding tank or Continental truck. The operator shall also ensure that rig anchors are present and have a valid pull test within one year. All return fluids generated by the plugging process are the responsibility of the operator. Portable restroom facilities as required by the operator or the regulatory agency shall be the responsibility of the operator. Any loss of sand line in the wellbore including sandline tools, drills, etc, will be billed to the operator.

Payment is due net 30 from date of invoice.